

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: City Manager

AGENDA DATE: March 1, 2005

CONTACT PERSON/PHONE: Joyce A. Wilson, City Manager, X4844
Elaine S. Hengen, Assistant City Attorney, X4550

DISTRICT(S) AFFECTED: N/A

SUBJECT:

An ordinance to amend Section 3.04.050 (Delinquent Taxes—Installment Payments—Nonlitigated Delinquencies) and to delete Section 3.04.060 (Delinquent Taxes—Installment Payments—Litigated Delinquencies). This ordinance will provide that delinquent tax installment agreements shall be entered into administratively and signed by the Tax Assessor/Collector and the City Manager

BACKGROUND / DISCUSSION:

This Ordinance amends two code provisions that delineate the circumstances when persons with delinquent taxes may be permitted to pay those taxes through an installment agreement. This ordinance will delete section 3.04.060 and provide one method for making these installment agreements. In accordance with section 33.02, Texas Tax Code, the Tax Assessor/Collector will enter into all of the agreements and the City Manager or designee will also sign agreements for more than \$10,000 of delinquent taxes, as an administrative safeguard. Additionally, by adopting this ordinance, all installment agreements will be implemented at the time of determination, eliminating time lost and costs associated with processing this administrative item for the Council agenda, and will allow the City to start collecting delinquent taxes sooner.

PRIOR COUNCIL ACTION:

The last amendment to this section of the code was in Ordinance 13235 in 1997.

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

N/A

*******REQUIRED AUTHORIZATION*******

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: _____

(Example: if RCA is initiated by Purchasing, client department should sign also)

Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA: _____

CITY MANAGER: Joyce A. Wilson **DATE:** 2/28/05

AN ORDINANCE AMENDING TITLE 3 (REVENUE AND FINANCE), CHAPTER 3.04 (PROPERTY TAXES), TO AMEND SECTIONS 3.04.050 (DELINQUENT TAXES--INSTALLMENT PAYMENTS--NONLITIGATED DELINQUENCIES) AND 3.04.060 (DELINQUENT TAXES--INSTALLMENT PAYMENTS--LITIGATED DELINQUENCIES) TO PROVIDE THAT THE INSTALLMENT AGREEMENTS SHALL BE ENTERED INTO AND SIGNED BY THE TAX ASSESSOR/COLLECTOR AND THE CITY MANAGER.

WHEREAS, Section 4.2 of the El Paso City Charter allows the City Council to, by ordinance, provide for additional designated officials to sign acts of Council on behalf of the Mayor;

WHEREAS, Section 33.02, Texas Tax Code, provides authority for the City of El Paso's Tax Assessor/Collector to enter into installment agreements for the payment of delinquent taxes; and

WHEREAS, the City Manager or a Deputy City Manager of the City of El Paso should be authorized to sign these agreements in lieu of requiring some of them to be presented to the City Council for authorization the interest of efficiency of administrative governmental operations in the City.

NOW THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

Section 1. That Section 3.04.050 of the El Paso Municipal Code shall be amended and re-titled to read as follows:

3.04.050. Delinquent taxes—Installment payments

Taxpayers who are delinquent on personal or real property ad valorem taxes, as shown by the delinquent tax rolls of the city, may be permitted to enter into installment payment agreements with the City to pay such delinquent taxes, subject to the following conditions:

A. Installment payment schedules shall be set up only in cases of the economic hardship of the taxpayer or under such other circumstances in which such payment shall be in the best interests of the city; provided further, that the facts supporting a determination of hardship or of special benefit to the city shall be documented in writing in the account files kept by the city tax assessor/collector, city attorney, or such other officer as may be authorized by ordinance to collect taxes.

B. Each such agreement shall be in writing and shall be signed by the taxpayer or by his or her authorized representative, by the tax assessor/collector, and by the City Manager as provided in this section.

C. The execution of an agreement to make installment payments constitutes an admission that all the amounts listed are due and owing, and the taxpayer shall be estopped to contest the validity of the assessment at any later time.

D. For delinquent tax accounts of ten thousand dollars or less, the tax assessor/collector shall be empowered to enter into installment payment agreements on behalf of the city, subject to the guidelines set forth in subsections A through C of this section. The tax assessor/collector may not delegate this authority except as permitted by law.

E. For delinquent accounts of over ten thousand dollars, the tax assessor/collector shall be empowered to enter into installment payment agreements on behalf of the city, subject to the guidelines set forth in subsections A through C of this section, and such agreements shall additionally be signed by the city manager or a deputy city manager as may be designated by the city manager. The tax assessor/collector may not delegate this authority, except as permitted by law.

F. The term of the installment payment period shall be for the number of months deemed appropriate in each case; provided, that whenever feasible the account shall be paid in full before the next successive delinquency date after the arrangements to pay are made; and further provided, that no installment payment period of more than thirty-six months shall be approved by the tax assessor/collector.

G. All installment agreements are subject to limitations of the State Property Tax Code, as amended, the terms of which are incorporated insofar as the State Property Tax Code is more restrictive as to terms and conditions of installment payments.

H. Interest and penalty shall accrue as otherwise provided by law.

I. If a delinquent tax suit or other collection litigation has been commenced, the prosecution of the lawsuit by the city shall be withheld only as long as the taxpayer is current on the payment schedule. The failure of the taxpayer to make timely payments shall be a breach of the agreement.

Section 2. That Section 3.04.060 (Delinquent taxes—installment payments—litigated delinquencies) of the El Paso Municipal Code shall be repealed.

Section 3. Except as herein amended, the remainder of Chapter 3.04 of the El Paso Municipal Code shall remain in full force and effect.

ADOPTED THIS 15th day of March 2005.

CITY OF EL PASO

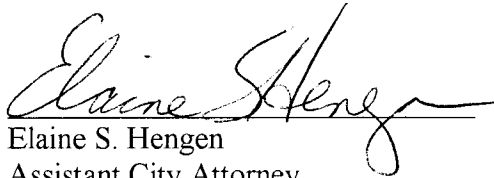
ATTEST:

Joe Wardy, Mayor

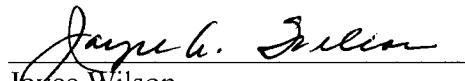
Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

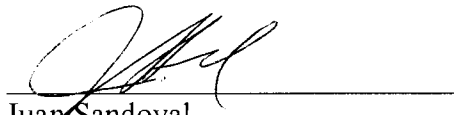


Elaine S. Hengen
Assistant City Attorney



Joyce Wilson
City Manager

APPROVED AS TO CONTENT:



Juan Sandoval
Tax Assessor/Collector